Dispute between FCI and NPCC

*365. PROF. C. LAKSHMANNA:
SHRIMATI KRISHNA KAUL:†

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government's attention has been wrawn to the news item which appeared in the 'Hindustan Times' of the 17th September, 1986 under the caption "wheat lies in open, units clashed";

(b) if so, whether Government have made any investigations into the dispute between the Food Corporation of India and the National Projects Construction Corporation; and

(c) if so, the outcome of the investigations and the action taken in the matter and also the action taken to ensure proper coordination betweeen the two public sector units?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) and (c) A meeting was held in the Ministry to resolve the dispute between the Food Corporation of India (FCI) and the National Projects Construction Corporation (NPCC). As a result, an understanding has been reached between the two undertakings. Based on that, the NPCC has agreed to resume construction of storage capacity at the centres allotted to them and to hand over the completed godowns to the FCI. For corrdination, periodic meetings are held between the two undertakings.

SHRIMATI KRISHNA KAUL: There are two questions.

Sir, the hon. Minister has just stated that a meeting was held to resolve the dispute between the Food Corporation of India and the National Projects Construction Corporation and that an understanding has hopefully been reached between the two undertakings and that the contruction has been resumed by the NPCC. May I know from the hon, Minister the reasons for the dispute between the FCI and the NPCC?

SHRI GHULAM NABI AZAD: Mostly the dispute was on the basis of liquidity but as the hon. Member has herself mentioned, the dispute is no more there. There was a meeting arranged by the Additional Secretary of the Department of Food between the Officers of the FCI and the NPCC. Whatever the dispute was there, that has now been sorted out. After the dispute was over, we have already sanctioned 2.5 crores of rupees more. Whatever godowns the NPCC had already constructed, they have been handed over to the FCI.

SHRIMATI KRISHNA KAUL: May I know from the hon. Minister what steps have the Government of India taken to improve the storage capacity and also the targets of the FCI for increased storage of foodgrains during the Seventh Five Year Plan?

SHRI GHULAM NABI AZAD: We have already taken several steps. In 1984 and 1985 it was felt that the production of foodgrains is gaining momentum very speedily. In a meeting arranged by the then Food Minister, it was felt that there was a need for construction of godowns for about 2.0 million tonnes capacity. It was therefore decided that besides the normal programme there should be construction of godowns with a capacity of 22.5 lakh tonnes. So far we have been able to construct 15 lakh tonnes capacity of godowns. As for NPCC, except for 80,000 tonnes, whatever is left over from its target will be constructed by the end of this financial year.

For the Seventh Plan period we wanted Rs. 561.5 crores for storage but the Planning Commission sanctioned only Rs. 246 crores. With this amount made available we will be able to construct

†The question was actually asked on the floor of the House by Shrimati Krishna Kaul.

only five million tonnes capacity of godowns during the Seventh Plan.

SHRI ATAL BIHARI VAJPAYEE: May I know the quantity of wheat which was involved and which was damaged due to the dispute between the FCI and the NPCC. May I also know whether the dispute has got anything to do with the strike by the labour in the NPCC.

SHRI GHULAM NABI AZAD: I think the hon. Member is asking about the dispute between the FCI and the NPCC. The dispute was at a very initial level. The NPCC wanted that some more money should be released. The construction had already been taken up. The PCI said that the NPCC should first submit the account of the amount which had already been released by the FCI. This bone of contention continued for a few months only. Meanwhile a meeting was held between the two Ministries and the dispute was sorted out. Sir, there was no question of damage being done to the foodgrains. It has also nothing to do with the strike by the labour in the NPCC, as mentioned by the hon. Member.

SHRI JAGESH DESAI: Just now the hon. Minister has given figures of the godowns to be constructed for the purpose of storage. In one of the written replies the Minister has given me to understand that in the North-East States we are not able to send fully supply because there is a constraint of godowns. Secondly, because of Monsoon we are not able to send the supply regularly. As such I would like to know from the hon. Minister whether in the North-East States, where most of the areas become inaccessible during the period of Monsoon...

MR. CHAIRMAN: Not relevant.

SHRI JAGESH DESAI: Whether there are more godowns so that...

MR. CHAIRMAN: Please read the question and then put the supplementary.

PROF. C. LAKSHMANNA: Mr. Chairman, Sir, just now the Minister has stated that there has been a dispute as a result of which there has been a loss. In the beginning stage itself there was a strike. Therefore, I would like to know from the Minister when these two organisations came to an understanding? Was there any agreement, or there was no agreement? If there is an agreement, was there any cause by which NPCC could take and vantage of it? Did NPCC say that unless there was more money we will not be able to do it? Was there any clause if either of the parties goes back on the Agreement? There should be some punishments, etc. If so, what are those clauses?

SHRI GHULAM NABI AZAD: Sir, I do not think there is any use in going into the previous disputes. The matter has already been sorted out and the work has also been resumed.

PROF. C. LAKSHMANNA: Sir, this is very relevant... *(Interruptions)*. Actually I could have put two supplementaries.

MR. CHAIRMAN: Out of indulgence I have given you. Please put the question.

PROF. C. LAKSHMANNA: Sir, I am not pressing for my second supplementary. I am happy that the dispute has been setteled. But there are other disputes with other public sector undertakings only. Therefore, as a result of the quarrels between few undertakings, there has been suffering on the part of the people and there has been delays, losses, etc. I would like to know from the Minister whether there were any clauses relating to the three aspects which I have mentioned earlier. I am happy a settlement has been reached. But the damage that is done has already been done. If there is a clause and if that clause is not adhered to, why it was not adhered to?

SHRI GHULAM NABI AZAD: Sir, there is no use in going into the previous disputes...

MR. CHAIRMAN: You may put a separate question. Question No. 366

Hon. Members absent. Q. No. 367 Transferred. Q. No. 368. Hon. Members absent. Very good. Then we will finish the list. Q. No. 369.

*366. [*The questioners (Shri Murlidhar Chandrakant Bhandare and Shri Mahendra Prasad) were absent. For answer,* vide *col.* 33-34 infra.]

*365. [*Withdrawn*].

*368. [*The questioners (Shri Chandrika Prasad Tripathi and Shri Rajni Ranjan Sahu) were absent. For answer.* vide *col.* 34-35 infra.]

Financial Assistance for Second Phase of Upper Krishna Project

*369. SHRI H. HANUMANTHAPPA:

SHRI VEERSHETTY MOGLAPPA KUSHNOOR:†

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government of Karnataka have submitted any proposal for World Bank assistance for the second phase of Upper Krishna Project; and

(b) if so, the details thereof together with the quantum of the assistance sought for and the reaction of the Central Government thereto and the stage at which the proposal stands?

THE MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) and (b) Phase II of the Upper Krishna Project with an estimated cost of Rs. 550 crores envisaging an irrigation potential of 1,44,788 ha. is in the pipeline for World Bank assistance. The project consists of raising the height of Almatti dam, construction of head works of foreshore lift irrigation schemes from Almatti and Narayanpur reservoirs, shifting of Bagalkot township, rehabilitation of displaced persons and is planned to be completed in 5 years.

†The question was actually asked on the floor of the House by Shri Veershetty Moglappa Kushnoor.

SHRI VEERSHETTY MOGLAPPA KUSHNOOR: Mr. Chairman, Sir, from the reply it is not clear whether the Central Water Commission has cleared the project and it has been sent to the World Bank for their appraisal. If it is not sent, why it is not sent so far? Sir, for the last four months the project is pending before the Government. Sir, when it is going to be cleared?

SHRI B. SHANKARANAND: In this project, not only the Karnataka Government but the Government of India is also keen that all such projects are implemented without any loss of time.

Sir, for that purpose I had asked the Chairman of the Central Water Commission to hold a meeting with the State Government officials and the meeting was so held on the 23rd September, 1986 and when the issues relating to this project were discussed in detail, the Government of Karnataka was convinced that they have to send certain information in order to see that the project is cleared. Sir, no doubt the project is technically cleared. But the only thing that is pending is the Government of Karnataka has to send the revised estimates properly according to the revised plan and then it will be cleared.

SHRI VEERSHETTY MOGLAPPA KUSHNOOR: Mr. Chairman, Sir, the revised estimates and the project plan has been sent in the month of August, 1986 and this revised project has been prepared on the suggestion of the Central Water Commission and the World Bank mission have also visited several times. This project has to be started in 1987-88 and it has to be completed in 1991-92 that is within five years. I would like to know whether the Government is going to see that this project is cleared as early as possible and by what time and on what date, it is going to be sent to the World Bank?

SHRI B. SHANKARANAND: Sir, the hon. Member is still speaking about the facts of August, 1986 whereas, I gave particulars about the meeting held on 23rd September, 1986.